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6 JUN 1957

Honorable Theodore F. Green Chairman

Senate Foreign Relations Committee Washington 25, D. C.

Dear Mr. Chairman

I refer to a letter of 18 May 1957 from Mr. Carl Marcy, requesting the comments of this Agency on S. J. Res. 87, "To provide for the creation of a Freedom Authority."

This Agency is in complete accord with the objective of S. J. Res. 27 to keep alive in the hearts of enshaved people the spirit and hope of freedom. We are not in a position to comment, however, on the policy implications of this bill or on the practicality of the "Freedom Authority" described therein.

With specific reference to section (e)(2), we would recommend against the prevision that the Administrator of the Freedom Authority advise and consult with the Secretary of State and the Director of Central Intelligence in connection with any grants under the Act. The Director of Central Intelligence is charged with the responsibility for advising the Secretary of State and other members of the National Security Council on fereign intelligence matters, and it may be assumed that the Secretary of State, in advising and consulting with the Administrator of the proposed Freedom Authority, would have available to him intelligence information relevant to the grants in question. For the foregoing reason, and because the Director of Central Intelligence is not a policy making official of the government, it is recommended that the reference in the proposed bill to the Director of Central Intelligence be deleted.

The Bureau of the Budget has advised that it interposes no objection to the submission of this report.

Sincerely,

SIGNED

Allen W. Dulles Director

IG/LC/NSPaul:fm (5 June 57)

Distribution:

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4 - Bureau of the Budget

1 - Chief, IO Division

2 - DCIV

1 - DDCI

2 - Leg. Counsel

5 June 1957

9-4112

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT:

Letter to Senator Green

- 1. It is recommended that the Director sign the attached letter to Senator Green.
- 2. The Douglas bill has been reviewed by and his views are reflected in the attached letter.

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- 3. S. J. Res. 87 is almost identical with a bill introduced by Douglas a year ago. It would set up a separate agency with an Administrator and eleven deputy administrators, each to be of national descent of one of the European satellite countries. The agency would be authorized to make grants to any group or groups "actively engaged in broadcasting, publishing, corresponding, or other activities designed to keep alive the spirit and hope of freedom, and the will to resist enslavement, in persons residing in Communist or Communist-dominated countries." There would be a specific authorization of \$20 million for fiscal year 1958, with the power to receive contributions from other agency funds.
- 4. Last year the Administration, in a letter from the Secretary of State, opposed the Douglas bill. Although fully concurring in the objective and statement of policy, it was pointed out that the proposed mechanism would be administratively infeasible, and in addition would provide a basis for Soviet attacks on the grounds of this Government being formally engaged in subversive activities against them. The bill never went anywhere last year, although its statement of policy found its way into the Mutual Security bill in a combination of amendments offered by Dirksen and Douglas.
- 5. The Department of State is again preparing the principal answer for the Executive Branch, which I understand will follow the same general lines as last year's letter. We have been asked

to comment directly this year, and I have made the point regarding consultation with the Director of Central Intelligence which we made in our comments to the Bureau of the Budget last year. The Bureau has cleared this proposed reply.

Norman S. Paul
Legislative Counsel

cc: DDCI

Attachment (Ltr. to Sen. Green)